

OCT 9 '97

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732-563-2700888 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006-4103
202-296-8600TELECOPIER
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October 8, 1997

VIA MESSENGER

Mr. Vernon A. Williams
Secretary
Office of the Secretary
The Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Attention: Janice Fort, Room 704

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are four original executed copies and one photostatic copy of a Memorandum of Railcar Security Agreement, dated as of September 30, 1997 (the "Memorandum"), between Johnstown America Corporation, as the Secured Party, and General Electric Railcar Services Corporation, as the Grantor, which Memorandum is a primary document as defined in the Commission's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed Memorandum are:

Secured Party: Johnstown America Corporation
17 Johns Street
Johnstown, Pennsylvania 15901

Grantor: General Electric Railcar Services
Corporation
33 West Monroe Street
Chicago, Illinois 60603

A description of the railroad equipment covered by the enclosed document is set forth in the Memorandum.

RECEIVED
SURFACE TRANSPORTATION
BOARD
OCT 9 1 58 PM '97

Mr. Vernon A. Williams
October 8, 1997
Page 2

Also enclosed is a check in the amount of \$24.00 payable to the order of The Surface Transportation Board covering the required recordation fee.

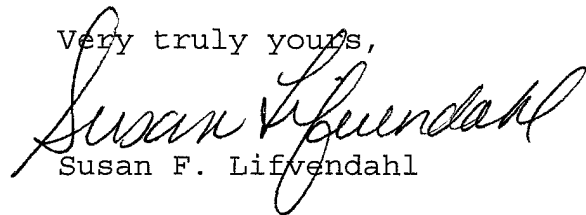
Kindly return three stamped original copies, the stamped photostatic copy of the enclosed document and the stamped photostatic copy of this letter to Susan F. Lifvendahl at Ross & Hardies, 150 North Michigan Avenue, Suite 3100, Chicago, Illinois 60601.

Following is a short summary of the enclosed document:

Document to be Recorded

Memorandum of Railcar Security Agreement, dated as of September 30, 1997, between Johnstown America Corporation, as Secured Party, and General Electric Railcar Services Corporation, as Grantor, covering 235 aluminum BethGon coalporter railcars.

Very truly yours,



Susan F. Lifvendahl

SFL:jma
w/encl.

cc: Michael P. Siska, Jr.
Robert W. Kleinman
Susan G. Lichtenfeld
Steven A. Brigance
Larry Siler
Alfreda Bradley-Coar

MEMORANDUM OF RAILCAR SECURITY AGREEMENT

This Memorandum of Railcar Security Agreement is made and entered into as of September 30, 1997, by and between JOHNSTOWN AMERICA CORPORATION (hereinafter referred to as "Secured Party") and GENERAL ELECTRIC RAILCAR SERVICES CORPORATION (hereinafter referred to as "Debtor").

Pursuant to the Railcar Manufacturing Agreement dated as of June 30, 1997 (the "Manufacturing Agreement") between Secured Party and Commonwealth Edison Company ("ComEd"), and subject to the terms and conditions therein set forth, which Manufacturing Agreement was assigned in part by ComEd to Debtor, Secured Party has agreed to manufacture and sell to Debtor, and Debtor has agreed to purchase from Secured Party, the railcars identified on Schedule A hereto (the "Railcars").

As security for the payment and fulfillment of its obligations to Secured Party under the Manufacturing Agreement pursuant to Section 6 of the Manufacturing Agreement, Debtor granted to Seller a security interest in the Railcars and the products, proceeds and accessions of and to any of the Railcars, together with all right, title and interest of Debtor therein and all rights and remedies which Debtor might exercise with respect thereto but for the execution of the Manufacturing Agreement.

As contemplated by the Manufacturing Agreement, Secured Party and Debtor hereby make this Memorandum of Railcar Security Agreement to confirm and perfect Secured Party's security interest in the Railcars. Secured Party and Debtor further acknowledge and confirm that this Memorandum of Railcar Security Agreement is not a summary of the Manufacturing Agreement nor a complete recitation of the terms and provisions thereof. Accordingly, Secured Party and Debtor agree that in the event of a conflict between this Memorandum of Railcar Security Agreement and the provisions of the Manufacturing Agreement, the provisions of the Manufacturing Agreement shall control.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum of Railcar Security Agreement to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written.

SECURED PARTY:

DEBTOR:

JOHNSTOWN AMERICA CORPORATION

GENERAL ELECTRIC RAILCAR
SERVICES CORPORATION

By: [Signature]
Name: MICHAEL P. SISK, JR.
Title: DIRECTOR, MARKETING & SALES ADMINISTRATION

By: [Signature]
Name: RL BACHINSKY
Title: VICE-PRESIDENT

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF CAMBRIA) SS:

On this 6th day of October 1997, before me personally appeared MICHAEL P. SISK JR., to me personally known, who being duly sworn, says that he is a Director of JOHNSTOWN AMERICA CORPORATION, a Delaware corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Carol A. Phillips
Notary Public

[NOTARIAL SEAL]

My Commission Expires:

NOTARIAL SEAL
CAROLYN A. PHILLIPS, Notary Public
Johnstown, Cambria County, PA
My Commission Expires June 7, 2001

STATE OF ILLINOIS)
COUNTY OF COOK) :SS

On this 30th day of September, 1997, before me personally appeared [Signature], to me personally known, who being by me duly sworn, says that he is a VICE-PRESIDENT of GENERAL ELECTRIC RAILCAR SERVICES CORPORATION, a Delaware corporation, that said instrument was signed on behalf of said corporation by an officer duly authorized to sign said instrument, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Lynda Clayton
Notary Public

[NOTARIAL SEAL]

“OFFICIAL SEAL”
Lynda Clayton
Notary Public, State of Illinois
My Commission Exp. 04/09/2001

My Commission expires: 4/9/2001

SCHEDULE A
TO MEMORANDUM OF RAILCAR SECURITY AGREEMENT

235 Aluminum BethGon Coalporter Cars bearing road marks and numbers as follows (both inclusive).

GROUP TWO: CWEX 6001 - CWEX 6115

GROUP THREE: CWEX 7001 - CWEX 7120